Audit of accounts of Co-operative Societies and banks for 1108.

14. MR. M. N. PARAMESVARAN PILLAI: Will the Government be pleased to state:

(*a*) whether the Registrar of Co-operative Societies has audited the accounts of any of the societies and banks in the State for 1108;

(*b*) if so, how many of those institutions have earned a profit, according to the calculation made by the Registrar's circular, sufficient to declare a dividend of 6 per cent;

(*c*) how many of these institutions are found to have sustained loss when their accounts for the current co-operative year are audited according to the principle of calculation laid down in the circular; and

(*d*) the average dividend declared by these institutions during the previous co-operative years?

MR. M. GOVINDA PILLAI (*Registrar of Co-operative Societies*): (*a*) Yes. The accounts of seven co-operative societies have so far been completely audited this year.

(*b*) Two.

(*c*) One.

(*d*) Of the seven societies, 3 were started only last year and were not in a position to declare any dividend. The average dividend declared by the remaining four societies during the years 1107, 1106, and 1105 are 5·25, 5 and 5·6 per cent. respectively.

MR. M. N. PARAMESVARAN PILLAI: May I know whether the Registrar of Co-operative Societies has issued a circular directing the co-operative societies and co-operative banks not to take into account in declaring their dividends, interests accrued or earned, in calculating the profits of the year?

MR. M. GOVINDA PILLAI: Yes.

MR. M. N. PARAMESVARAN PILLAI: When was the circular issued?

MR. M. GOVINDA PILLAI: In the first week of Edavam last.

MR. M. N. PARAMESVARAN PILLAI: What was the practice adopted by the co-operative banks and societies till then in regard to the declaration of dividends?

MR. M. GOVINDA PILLAI: The practice hitherto has been to include all accrued and over due interests and penalties whether collected or not in divisible profits.

MR. M. N. PARAMESVARAN PILLAI: May I know how long that practice has been in vogue?

MR. M. GOVINDA PILLAI: Since the inauguration of the co-operative movement in the State.

MR. M. N. PARAMESVARAN PILLAI: Did the member give sufficient notice of this circular to the banks and societies before it was issued?

MR. M. GOVINDA PILLAI: Formal notice was not given, but during my tours of inspection, I had given indication of my intention to issue such a circular.

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MR. M. N. PARAMESVARAN PILLAI: Does the member know how profits are declared in the Permanent Fund and the other banks?

MR. M. GOVINDA PILLAI: The Permanent Fund is net a co-operative society, and as such I am not aware of the practice there.

MR. M. N. PARAMESVARAN PILLAI: Is the member aware that the share-holders are legally entitled to get dividends as per the old rate?

MR. M. GOVINDA PILLAI: Under the Regulation, net profits are always declared by the Registrar of Co-operative Societies, and dividends can be distributed only from those net profits.

MR. M. N. NARAYANA MENON (*Kottayam*): സംഘങ്ങളുമായിട്ടുള്ള സൌഹാർദ്ദനിലയുടെ കാര്യത്തിൽ കുറച്ചുകൂടി സമയം കൊടുക്കുന്നതു നന്നായിരിക്കുമെന്നഭിപ്രായമുണ്ടോ?

MR. M. GOVINDA PILLAI: ഇരുപക്ഷം സംഘങ്ങളുടെയും നില അന്വേഷിച്ചുനോക്കിയതിൽ ഇനിയും സമയം കൊടുക്കുന്നതു ഗുണപ്രദമായിതീരുമെന്നു വിചാരിക്കുന്നില്ല.

Encouragement to co-operative societies of textile workers by the grant of industrial loans.

15. MR. M. N. NARAYANA MENON: Will the Government be pleased to state:

(*a*) whether the Economic Depression Enquiry Committee has recommended that encouragement should be given to co-operative societies of textile workers by granting industrial loans, etc.;

(*b*) the action taken thereon?

MR. M. GOVINDA PILLAI: (*a*) Yes.

(*b*) The question has been referred to the committee on co-operation.

Introduction of the emergent processes system.

16. MR. G. NARAYANA AIYAR: Will the Government be pleased to state whether they intend introducing the emergent processes system as suggested by the Law's Delays Commissioners in paragraph 814 of their report?

MR. K. GEORGE: The suggestion is under consideration.

VOTING OF DEMANDS FOR GRANTS.

PRESIDENT: The Council will now proceed to the budget demands. I may remind the members that two and a half hours each will be given to Land Revenue, Education and Public Works, and an hour and a quarter each to the remainder, and that the time-limit for speeches is ten minutes.

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